WELFARE REFORM RECONCILIATION/Approval of Pending Waivers

SUBJECT: Personal Responsibility and Work Opportunity Act of 1996 . . . S. 1956. Frist motion to waive section 313(b)(1)(A) for the consideration of the Frist modified amendment No. 4914.

ACTION: MOTION REJECTED, 55-43

SYNOPSIS: As reported, S. 1956, the Personal Responsibility and Work Opportunity Act of 1996, will enact major welfare reforms. The Aid to Families with Dependent Children (AFDC) program will be replaced with a new Temporary Assistance for Needy Families (TANF) block grant to the States. The TANF block grant will be capped through 2001. Time limits will be placed on individuals receiving TANF benefits. Overall, the growth in non-Medicaid welfare spending will be slowed to 4.3 percent annually. The bill originally included major Medicaid reforms, but most of those provisions were stricken when the bill was reported. Without those Medicaid reforms, welfare spending will still be reduced by \$61.4 billion over 6 years.

The Frist modified amendment would express the sense of the Congress that the President should ensure that the Secretary of Health and Human Services (HHS) approves pending requests from States for waivers from Federal welfare rules and paperwork requirements in order to allow the implementation of innovative State welfare programs. Those requests are as follows: Georgia, Jobs First Project (requested July 5, 1994); Georgia, Fraud Detection Project (submitted July 1, 1996); Indiana, Impacting Families Welfare Reform Demonstration (submitted December 14, 1995); Kansas, Actively Creating Tomorrow for Families Demonstration (submitted July 26, 1994); Michigan, To Strengthen Michigan Families (submitted June 27, 1996); Minnesota, Work First Program (submitted April 4, 1996); Minnesota, AFDC Barrier Removal Project (submitted April 4, 1996); New York, Learnfare Program (submitted May 31, 1996); New York, Intentional Program Violation Demonstration (submitted May 31, 1996); Oklahoma, Welfare Self-Sufficiency Initiative (submitted October 27, 1995); Pennsylvania, School Attendance Improvement Program (submitted September 12, 1994); Pennsylvania, Savings for Education Program (submitted December 29, 1994); Tennessee, Families First, submitted April 30, 1996); Utah, Single Parent Employment Demonstration (submitted July 2, 1996); Virginia, Virginia Independence Program (submitted May 24, 1996); Wisconsin, Work Not Welfare and Pay for Performance (submitted May 29, 1996); Wyoming, New Opportunities and New Responsibilities--Phase II (submitted May 13, 1996); California, Assistance Payment

(See other side)

YEAS (55)			NAYS (43)			NOT VOTING (2)	
Republicans Democrats		Republicans	Democrats		Republicans	Democrats	
	(52 or 98%) (3 or 7%)		(1 or 2%)	(42 or 93%)		(0)	(2)
Abraham Ashcroft Bennett Bond Brown Burns Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Domenici Faircloth Frahm Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield Helms	Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner	Feinstein Heflin Kohl	Campbell	Akaka Baucus Biden Bingaman Boxer Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Feingold Ford Glenn Graham Harkin Hollings	Inouye Johnston Kennedy Kerrey Kerry Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Pell Reid Robb Rockefeller Sarbanes Simon Wellstone Wyden	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	nced Yea nced Nay Yea

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Demonstration Project (submitted March 13, 1996); Hawaii, Pursuit of New Opportunities (submitted May 7, 1996); and West Virginia, West Virginia Works (submitted July 1, 1996).

The amendment is based on several findings, including that it takes HHS an average of 210 days to rule on a waiver request.

Following debate, Senator Dodd raise the point of order that the amendment violated section 313(b)(1)(A) of the Budget Act. Senator Frist then moved to waive that section for the consideration of the amendment. Generally, those favoring the motion to waive opposed the amendment; those opposing the motion to waive favored the amendment.

NOTE: A three-fifths majority (60) vote is required to waive that section of the Budget Act. Following the vote, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

Exactly 2 months ago, President Clinton had the following to say about Wisconsin's welfare reform proposal, which needs Federal waivers before it can be implemented: "All in all, Wisconsin has the making of a solid, bold welfare reform plan. We should get it done . . . I pledge that my Administration will work with Wisconsin to make an effective transition to a new vision of welfare based on work, that protects children and does right by working people and their families." President Clinton has also set a deadline of 30 days for HHS to either approve or disapprove of a waiver request. Someone should let HHS know that the President has claimed that he wants it to quit dragging its feet—it has some pending requests that it has failed to act on for more than 2 years. On average, it takes it 210 days to act. Maybe this really is a high priority for President Clinton, but it has just slipped his mind to mention it to his appointees who are running HHS. To help the President fulfill his stated agenda, which we are certain is more than a public relations stunt, we have offered the Frist amendment. The Frist amendment would express the sense of Congress that HHS should approve all pending welfare waiver requests.

We know that many of our more liberal colleagues question the advisability of approving all pending requests. They may be more comfortable with supporting a requirement for HHS to approve or disapprove all pending requests immediately, because they trust the judgment of HHS over the judgment of State officials who administer the programs. They want a chance for HHS to pick through those requests and to reject them outright or to modify them, to impose new requirements in order to waive the other requirements, and to impose their opinion on the best way to handle welfare in individual States in a myriad of other ways. When HHS approves a waiver, it typically does so with a lot of strings attached and a lot of modifications. Some of our colleagues approve of that process-they think that when the President said "get it done" about the Wisconsin proposal, they think he meant get done what HHS thinks is right, not what is actually in the proposal.

Perhaps they are right, but if they are, we vehemently disagree with President Clinton. Washington does not have the answers. Each State has unique circumstances. When a State designs a welfare reform proposal, it tailors it to meet those unique circumstances. In the past few years, when States have won limited waivers of Federal requirements to implement reform proposals that have been designed to meet local needs, they have had remarkable success. Michigan, for example, has reduced its caseload by 20 percent over the past 26 months. It has closed more than 90,000 welfare cases as a result of individuals gaining employment.

Some Senators may take this as a sign of how successful it is to have Washington oversight of waivers. However, we inform them that Michigan studied its welfare system and found that its social workers had to spend fully two-thirds of their time handling Federal paperwork and redtape rather than actually helping welfare recipients. Michigan has had success after having the Federal Government grudgingly waive some of its monstrously burdensome and inane requirements. It could have had much more success if Federal control were simply relinquished.

Despite all the success that many States have had in reforming welfare and giving hope and meaning to the lives of tens of thousands of former welfare recipients, our liberal colleagues still suspect a lingering, hidden malevolence in the States. They remain convinced that States cannot wait to abandon welfare recipients. They think that if Federal control is relinquished that States will neglect the needs of poor people. Despite all the evidence that the Federal programs are failing and that the State programs, to the extent they are permitted to operate by the Federal Government, are succeeding, they are convinced that the Federal programs are the best because they run them and they know that they have good intentions. We find this attitude perplexing, considering that most of the Senators who hold this view themselves have served in State governments. Perhaps they were devils when they were in State office, and were gloriously transformed upon being elected to the Senate.

Some Senators have complained that some States have asked for waivers of regulations that go beyond the waivers that will effectively be passed by this bill. Those Senators are confusing national policies with State policies. For instance, they have said that they think that one of those waivers would approve a State program that would terminate food stamp benefits for a mother who refused to comply with the work requirements, and they have correctly pointed out that this bill would not make that a uniform, national requirement. Whether are colleagues are correct or not, the difference is obvious—that requirement may well be the best requirement for a particular State, and the best judge of whether it is the best requirement is the State itself, which is much more intimately familiar with its own unique needs than the Federal Government ever can be. In this bill, we have reached the conclusion that time limits, in general, should not be retroactive, and have established that as a national policy. If a particular State, based on its expert judgment, disagrees, we should defer to that State.

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The Frist amendment, again, is nonbinding. It is intended to draw attention to the fact that HHS is dramatically failing to approve waivers within the 30-day deadline set by President Clinton. If our colleagues think it is just fine for the Administration to take the public position that it will act on requests within 30 days, when in reality it will often wait for years before it will respond, then they will oppose this amendment. If, on the other hand, our colleagues understand that the States are succeeding where the Federal Government has failed, and if they understand that relinquishing Federal control will be helpful for welfare beneficiaries, they will vote in favor of the Frist amendment.

Those opposing the motion to waive contended:

We are leery of micromanaging in the manner suggested by the Frist amendment. Congress sets general policy, and the professional bureaucrats in the executive branch implement it. We have three branches of the Federal Government--not one. The Congress does not pass laws for States to implement. When Congress passes a law setting a national policy, that policy applies to all 50 States. Further, we have three levels of government--Federal, State, and local, not one. If waivers must be automatically granted to any State that asks for them, then Federal laws will be virtually meaningless. Congress will be merely a tax collector that gives money to the States. The States, we imagine, would enjoy both the popularity that would come from spending that money and the avoidance of blame for collecting the taxes, but no national benefit would result. In this particular instance, expressing the sense of the Senate that waivers should be immediately granted would result in several waivers that we are confident that a majority of Senators oppose. For example, our understanding is that one of the pending waivers would impose a retroactive lifetime limit on receiving welfare, and that another pending waiver would deny food stamps to recipients who could work but who refused. Senators are not willing to take those steps in this bill; they therefore should not be willing to let individual States take them. We are confident that enough of our colleagues agree with us that the motion to waive the Budget Act for the Frist amendment will be defeated.